

Saptakoshi Development Bank Limited

Form No. 1

Capital Adequacy Table

At the month end of Poush, 2078

(Rs. in '000)

1. 1 RISK WEIGHTED EXPOSURES		Current Period	Previous Period
a	Risk Weighted Exposure for Credit Risk	4,249,489.23	4,546,409.06
b	Risk Weighted Exposure for Operational Risk	343,794.24	343,794.24
c	Risk Weighted Exposure for Market Risk	-	-
Total Risk Weighted Exposures (Before adjustments of Pillar II)		4,593,283.48	4,890,203.31
Adjustments under Pillar II			
SRP 6.4a (5)	Select answer of SRP 6.4a (5) in SRP sheet	-	-
SRP 6.4a (6)	Net liquid assets to total deposit ratio is shortfall by 4.23%. Add 5% of total deposit to RWE	206,160.10	172,533.99
SRP 6.4a (7)	Add RWE equivalent to reciprocal of capital charge of 2 % of gross income.	50,476.60	50,476.60
SRP 6.4a (9)	Overall risk management policies and procedures are not satisfactory. Add 2% of RWE	91,865.67	97,804.07
SRP 6.4a (10)	Answer the question SRP 6.4a (9) in SRP sheet	-	-
Total Risk Weighted Exposures (After Bank's adjustments of Pillar II)		4,941,785.85	5,211,017.96

1.2 CAPITAL		Current Period	Previous Period
(A) Core Capital (Tier 1)		826,364.59	863,346.54
a	Paid up Equity Share Capital	834,338.43	834,338.43
b	Irredeemable Non-cumulative preference shares		
c	Share Premium		
d	Proposed Bonus Equity Shares		
e	Statutory General Reserves	64,645.03	77,032.72
f	Retained Earnings	-28,178.60	74,494.10
g	Un-audited current year cumulative profit/(loss)	(44,440.28)	(122,518.72)
h	Capital Redemption Reserve		
i	Capital Adjustment Reserve		
j	Debenture Redemption Reserve		
k	Dividend Equalization Reserves		
l	Other Free Reserve		
n	Less: Goodwill		
o	Less: Fictitious Assets		
p	Less: Investment in equity in licensed Financial Institutions		
q	Less: Investment in equity of institutions with financial interests		
r	Less: Investment in equity of institutions in excess of limits		
s	Less: Investments arising out of underwriting commitments		
t	Less: Reciprocal crossholdings		
u	Less: Purchase of land & building in excess of limit and unutilized		
v	Less: Other Deductions		
Adjustments under Pillar II			
SRP 6.4a(1)	Answer the question SRP 6.4a (1) in SRP sheet	-	-
SRP 6.4a(2)	Answer the question SRP 6.4a (2) in SRP sheet	-	-

(B) Supplementary Capital (Tier 2)		Current Period	Previous Period
(eligible Rs. 81539.47 thousand only)		81,908.00	70,341
a	Cumulative and/or Redeemable Preference Share		
b	Subordinated Term Debt		
c	Hybrid Capital Instruments		
d	General loan loss provision	81,908.00	70,340.82
e	Exchange Equalization Reserve		
f	Investment Adjustment Reserve		
g	Asset Revaluation Reserve		
h	Other Reserves		
Total Capital Fund (Tier I and Tier II)		907,904.05	933,687.36

1.3 CAPITAL ADEQUACY RATIOS		Current Period	Previous Period
Tier 1 Capital to Total Risk Weighted Exposures (After Bank's adjustments of Pillar II)		16.72%	16.57%
Tier 1 and Tier 2 Capital to Total Risk Weighted Exposures(After Bank's adjustments of Pillar II)		18.37%	17.92%